E&C Committee Hill Hearing Remarks

John Lau, Serco Program Director HHSM-500-2013-00118C October 24, 2013

Good morning Mr. Chairman, Ranking Member Waxman and other members of the Committee.

My name is John Lau. I represent Serco Inc., and I'm the Program Director for our CMS contract.

Thank you for the opportunity to appear again today and to discuss Serco's current status and performance in this Program.

For the next several minutes, let me provide you with a quick review of Serco's role in this Program and the status of our work.

Serco's contract is to provide Eligibility Support Services in support of paper application processing and error and issue resolution on applications regardless of the manner in which they were submitted. Our primary role in the early days of the implementation is to key enter paper applications into the eligibility system. As time goes on, more of our work will entail inconsistency resolution in order to clear previously submitted applications for the eligibility determination process. Inconsistency resolution entails data verification and validation of self-attested data from Applicants. These are problems identified through the use of the Data Hub in the main system.

To date, Serco has successfully opened 2 of its 4 processing centers, those in Kentucky and in Arkansas, with a third soon to open in Missouri to be followed, finally, by our fourth site in Oklahoma. We have had no trouble recruiting and hiring competent staff in any of our areas and have received a number of compliments from local officials and community groups about the professionalism of our recruiting efforts and the outstanding way we have on-boarded and trained our people. We have instilled a sense of pride in what they are doing in our staff and have a highly motivated, eager workforce.

Since the launch of the program on October 1st we have built upon our starting capacity in both staff numbers and processing efficiency. The volume of paper documents received since program launch has been steadily increasing and, even in a short period, is clearly trending up. This build-up has enabled us to make adjustments and improve our processes as the nature of the inbound paper load becomes clearer.

To date we have received almost 16,000 documents, about half of which are consumer applications. We have succeeded in key entering more than half of those applications and have started working those we were unable to enter because of missing information or other problems with the application. We expect to be able to complete processing and entering those applications in the near future.

Our challenges have included coping with the performance of the portal as that is our means of entering data just as it is for the consumer. With the relatively low volumes of applications we have received thus far, this has not been a problem for us.

As I testified on September 10th, Serco was ready to process on 10/1 and we are processing today. I look forward to your questions.